

Accrual Match Money

3 Seperate entries

Ex: 30¢ Disc Win

(1st) .20¢ Win PR ED
(automatically comes from
accrual)

(2nd) .5¢ Retail Accrual
Win RTR Match.

(3rd) (.RTR Match Accrual)
.5¢ Retail Accrual
Win Retail Match

51842 6752

FSC-101-B		6/10/97	
SUBJECT: Movement of Retail Accrual RJR Match Dollars to Base			
DISTRIBUTION:			
<u>X</u> AVP	<u>X</u> KAM	<u>X</u> DM	
<u>X</u> RSM	<u>X</u> AM	<u>X</u> RM	
<u>X</u> RBM	<u>X</u> AE	_____ Sales Rep	
<u>X</u> ROM		_____ Retail Rep	

According to the Retail Accrual Manual (FSC-38-A), "Where discounting is the primary or sole means of spending Match accruals, RJR Match Dollars should be transferred to Base dollars and discounting codes utilized to implement the program. Most Independents fall into this group." Transferring Match dollars to base also allows the system to capture ALL promoted volume from discounting. It is the most efficient way to administer payment and monitor the spending and related promoted volume. If the dollars are spent on offensive *non-discounting* programs it is paid via the RJR Match hand held codes established for each brand.

Please use the following steps in spending RJR Match:

(Remember: Match dollars should be used for point of difference promotions.)

Match Discounting

- 1) Plan Spending
- 2) Move Dollars from Match to Base
- 3) Pay program utilizing discounting HH codes

Match Non-Discounting

- 1) Plan Spending*(KAM/AM)
- 2) Leave Dollars in Match
- 3) Pay program utilizing Match HH codes

* The new Planned Match function (D25 in BPE) allows KAM/AM to have the ROU input your program planned use of these funds.

We strongly encourage that all Full Price On-Grid needs be met prior to spending Retail Accrual Match on Off-Grid Brands.

We realize that offensive/aggressive discounting could cause off-strategy reporting. Whether the program is aggressive one pack discounting or a multi pack offer, it will be funded by the RJR Match which represents only 12% of the total discounting funds available. Also, if the offensive program is multi-pack, activity is not reported through the expert system. Therefore under either offensive program, the impact on the total division's reporting will be insignificant probably 5-6% of the total discounting funds available.

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*Cannot update Retailer Match unless it has been paid for under RJR Match
Retailer Match \$1.00 increments*

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